

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2022 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022	
A This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)
E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here.	☐

Part II	Basic Plan Information —enter all requested information
1a Name of plan THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST	1b Three-digit plan number (PN) ▶ 002
	1c Effective date of plan 10/01/2012
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) THE EQUITY ENGINEERING GROUP, INC. 20600 CHAGRIN BLVD, SUITE 1200 SHAKER HEIGHTS, OH 44122	2b Employer Identification Number (EIN) 32-0430595 2c Plan Sponsor's telephone number 216-283-6021 2d Business code (see instructions) 541330

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2023	MICHAEL SHERBAN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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3a Plan administrator's name and address ☒ Same as Plan Sponsor		3b Administrator's EIN
		3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name		4b EIN 4d PN
5 Total number of participants at the beginning of the plan year		5 161
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).		
a(1) Total number of active participants at the beginning of the plan year		6a(1) 132
a(2) Total number of active participants at the end of the plan year		6a(2) 142
b Retired or separated participants receiving benefits		6b 0
c Other retired or separated participants entitled to future benefits.....		6c 33
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d 175
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e 0
f Total. Add lines 6d and 6e		6f 175
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....		6g 175
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....		6h 11
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)		7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2P 2Q 3I		
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:		
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)		
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☐ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2022 Form M-1 annual report. If the plan was not required to file the 2022 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2022 This Form is Open to Public Inspection
For calendar plan year 2022 or fiscal plan year beginning <u>01/01/2022</u> and ending <u>12/31/2022</u>		
A Name of plan <u>THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST</u>	B Three-digit plan number (PN) ►	<u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>THE EQUITY ENGINEERING GROUP, INC.</u>	D Employer Identification Number (EIN) <u>32-0430595</u>	

Part I	Asset and Liability Statement
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.	
Assets	<div style="display: flex; justify-content: space-between;"> (a) Beginning of Year (b) End of Year </div>
a Total noninterest-bearing cash.....	<div style="display: flex; justify-content: space-between;"> 1a 922240 246365 </div>
b Receivables (less allowance for doubtful accounts):	
(1) Employer contributions.....	<div style="display: flex; justify-content: space-between;"> 1b(1) 83890 541641 </div>
(2) Participant contributions.....	<div style="display: flex; justify-content: space-between;"> 1b(2) </div>
(3) Other.....	<div style="display: flex; justify-content: space-between;"> 1b(3) </div>
c General investments:	
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	<div style="display: flex; justify-content: space-between;"> 1c(1) </div>
(2) U.S. Government securities	<div style="display: flex; justify-content: space-between;"> 1c(2) </div>
(3) Corporate debt instruments (other than employer securities):	
(A) Preferred	<div style="display: flex; justify-content: space-between;"> 1c(3)(A) </div>
(B) All other	<div style="display: flex; justify-content: space-between;"> 1c(3)(B) </div>
(4) Corporate stocks (other than employer securities):	
(A) Preferred	<div style="display: flex; justify-content: space-between;"> 1c(4)(A) </div>
(B) Common.....	<div style="display: flex; justify-content: space-between;"> 1c(4)(B) </div>
(5) Partnership/joint venture interests	<div style="display: flex; justify-content: space-between;"> 1c(5) </div>
(6) Real estate (other than employer real property)	<div style="display: flex; justify-content: space-between;"> 1c(6) </div>
(7) Loans (other than to participants).....	<div style="display: flex; justify-content: space-between;"> 1c(7) </div>
(8) Participant loans.....	<div style="display: flex; justify-content: space-between;"> 1c(8) </div>
(9) Value of interest in common/collective trusts.....	<div style="display: flex; justify-content: space-between;"> 1c(9) </div>
(10) Value of interest in pooled separate accounts	<div style="display: flex; justify-content: space-between;"> 1c(10) </div>
(11) Value of interest in master trust investment accounts.....	<div style="display: flex; justify-content: space-between;"> 1c(11) </div>
(12) Value of interest in 103-12 investment entities	<div style="display: flex; justify-content: space-between;"> 1c(12) </div>
(13) Value of interest in registered investment companies (e.g., mutual funds).....	<div style="display: flex; justify-content: space-between;"> 1c(13) </div>
(14) Value of funds held in insurance company general account (unallocated contracts).....	<div style="display: flex; justify-content: space-between;"> 1c(14) </div>
(15) Other	<div style="display: flex; justify-content: space-between;"> 1c(15) </div>

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	27935994	21875496
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	28942124	22663502

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i	7051376	6632718
j Other liabilities	1j	124822	0
k Total liabilities (add all amounts in lines 1g through 1j)	1k	7176198	6632718

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	21765926	16030784
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	1240389	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		1240389
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		0
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	-5212884	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		-5212884

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		-3972495
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1607127	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		1607127
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		155520
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		0
j Total expenses. Add all expense amounts in column (b) and enter total	2j		1762647
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		-5735142
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☒ Unmodified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) ☒ DOL Regulation 2520.103-8 (2) ☐ DOL Regulation 2520.103-12(d) (3) ☐ neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: **BSE PARTNERS LLC**

(2) EIN: **06-0462571**

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)

	Yes	No	Amount
4a		X	

	Yes	No	Amount
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)		X	
4b		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X	
4d		X	
e Was this plan covered by a fidelity bond?	X		1500000
4e	X		1500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)		X	
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
4k		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☐ Yes ☐ No ☐ Not determined

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.

<div>SCHEDULE R (Form 5500) <div>Department of the Treasury Internal Revenue Service</div><div>Department of Labor Employee Benefits Security Administration</div><div>Pension Benefit Guaranty Corporation</div></div>		<div>Retirement Plan Information</div> <div>This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).</div> <div>► File as an attachment to Form 5500.</div>		<div>OMB No. 1210-0110</div> <div>2022</div> <div>This Form is Open to Public Inspection.</div>	
For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022					
A Name of plan THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST				B Three-digit plan number (PN) 002	
C Plan sponsor's name as shown on line 2a of Form 5500 THE EQUITY ENGINEERING GROUP, INC.				D Employer Identification Number (EIN) 32-0430595	
Part I Distributions					
All references to distributions relate only to payments of benefits during the plan year.					
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....				1 0	
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 32-0430595					
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.					
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....				3	
Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)					
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ☐ Yes ☐ No ☐ N/A If the plan is a defined benefit plan, go to line 8.					
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.					
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....				6a	
b Enter the amount contributed by the employer to the plan for this plan year.....				6b	
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....				6c	
If you completed line 6c, skip lines 8 and 9.					
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A					
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ☐ Yes ☐ No ☐ N/A					
Part III Amendments					
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... ☐ Increase ☐ Decrease ☐ Both ☐ No					
Part IV ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.					
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?..... ☐ Yes ☒ No					
11 a Does the ESOP hold any preferred stock?..... ☐ Yes ☒ No					
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)..... ☐ Yes ☒ No					
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?..... ☒ Yes ☐ No					
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.				Schedule R (Form 5500) 2022 v. 220413	

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that (1) contributed more than 5% of total contributions to the plan during the plan year or (2) was one of the top-ten highest contributors (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14	Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:	
a	The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment).....	14a
b	The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	14b
c	The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	14c
15	Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:	
a	The corresponding number for the plan year immediately preceding the current plan year.....	15a
b	The corresponding number for the second preceding plan year.....	15b
16	Information with respect to any employers who withdrew from the plan during the preceding plan year:	
a	Enter the number of employers who withdrew during the preceding plan year	16a
b	If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers.....	16b
17	If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐	

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

20 PBGC missed contribution reporting requirements. If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No

b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation _____

**THE EQUITY ENGINEERING GROUP, INC.
EMPLOYEE STOCK
OWNERSHIP PLAN AND TRUST**

**FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

Years Ended December 31, 2022 and 2021

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INDEPENDENT AUDITORS' REPORT

Plan Administrator
The Equity Engineering Group, Inc.
Employee Stock Ownership Plan and Trust
Shaker Heights, Ohio

Opinion

We have audited the accompanying financial statements of The Equity Engineering Group Inc. **Employee Stock Ownership Plan and Trust** (the Plan), which comprise the statement of net assets available for benefits as of December 31, 2022 and 2021 and the related statement of changes in net assets available for benefits for the year ended December 31, 2022, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of The Equity Engineering Group, Inc. Employee Stock Ownership Plan and Trust as of December 31, 2022 and 2021, and the changes in net assets available for benefits for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Equity Engineering Group, Inc. Employee Stock Ownership Plan and Trust and to meet our ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Equity

INDEPENDENT AUDITORS' REPORT

Engineering Group, Inc. Employee Stock Ownership Plan and Trust's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the plan, and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The Equity Engineering Group, Inc. Employee Stock Ownership Plan and Trust's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

INDEPENDENT AUDITORS' REPORT

- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Equity Engineering Group, Inc. Plan and Trust's ability to continue as a going concern for a reasonable period of time

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplemental Schedule Required by ERISA

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental Schedule of Assets (Held at End of Year) is presented for the purpose of additional analysis and is not a required part of the financial statements, but is supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion, the information in the accompanying schedule is fairly stated, in all material respects, in relation to the financial statements as a whole, and the form and content are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

YBE Partners, LLC

Columbus, Ohio
October 5, 2023

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2022 and 2021

	Allocated	2022 Unallocated	Total	Allocated	2021 Unallocated	Total
Assets:						
Cash Equivalents	\$ 246,365	\$ -	\$ 246,365	\$ 922,240	\$ -	\$ 922,240
Contribution Receivable	541,641		541,641	83,890		83,890
EEG Common Stock	12,117,849	9,757,647	21,875,496	14,746,917	13,189,077	27,935,994
Total Assets	12,905,855	9,757,647	22,663,502	15,753,047	13,189,077	28,942,124
Liabilities:						
Outstanding Loan Balance	-	6,632,718	6,632,718	-	7,051,376	7,051,376
Accrued Interest	-			-	124,822	124,822
Total Liabilities	-	6,632,718	6,632,718	-	7,176,198	7,176,198
Net Assets Available for Benefits	\$12,905,855	\$3,124,929	\$ 16,030,784	\$ 15,753,047	\$ 6,012,879	\$ 21,765,926

See notes to financial statements.

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Year ended December 31, 2022

	Allocated	2022 Unallocated	Total
Income:			
Employer Contribution	\$ 960,046	\$ 280,343	\$ 1,240,389
Share Release (at Fair market value)	893,327	-	893,327
Unrealized Appreciation	-	-	-
Total Income	1,853,373	280,343	2,133,716
Expenses:			
Interest Expense	-	155,520	155,520
Payments to Participants	1,607,127	-	1,607,127
Share Release (at fair market value)	-	893,327	893,327
Debt Payments	418,658	(418,658)	-
Unrealized depreciation	2,674,780	2,538,104	5,212,884
Total Expenses	4,700,565	3,168,293	7,868,858
Change in Net Assets Available for Benefits	(2,847,192)	(2,887,950)	(5,735,142)
Net Assets at Beginning of Plan Year	15,753,047	6,012,879	21,765,926
Net Assets Available for Benefits at year end	\$12,905,855	\$3,124,929	\$16,030,784

See Notes to financial statements

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – DESCRIPTION OF PLAN

The following description of The Equity Engineering Group, Inc. **Employee Stock Ownership Plan and Trust** (the “Plan”) provides only general information. Participants should refer to the Plan Agreement for a more complete description of the Plan’s provisions.

General – The Equity Engineering Group, Inc. (the “Company”) established the employee stock ownership plan effective as of October 1, 2012, for all employees of the Company other than leased employees, non-resident alien, a disqualified person or employees covered under a collective bargaining agreement. As of October 1, 2012, the Plan operates as an employee stock ownership plan (ESOP), and is designed to comply with Section 4975(e)(7) and the regulations thereunder of the Internal Revenue Code of 1986, as amended (IRC) and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan is administered by an Employee Benefits Administration Committee which consists of not less than one person appointed by the Sponsor Company. The Plan was restated in 2018.

The Plan purchased the Company common stock by issuing notes payable to the former owners of the Company in a trust established under the Plan.

Eligibility – Employees of the Company are generally eligible to participate in the Plan after twelve months of service provided they worked at least 1,000 hours during the Plan year, received compensation during the Plan year, and were employed on the last day of the Plan year and were 21 years of age or older.

Employer Contributions – The Company is obligated to make contributions in cash to the Plan, equal the amount necessary to enable the Plan to make its regularly scheduled loan payments.

Participant Accounts – The Plan is a defined contribution plan under which a separate individual account is established for each participant. Each participant’s account is credited as of the last day of each Plan year with an allocation of shares of the Company’s common stock released by the Trustee from the unallocated account and the forfeitures of terminated participants’ non-vested accounts. Only those participants who are eligible employees of the Company as of the last day of the Plan year will received an allocation. Allocations are based on a participant’s eligible compensation, relative to total eligible compensation. Plan earnings are allocated to each participant’s account based on the ratio of the participant’s beginning of the year account balance to all participants’ beginning of the year account balances.

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – DESCRIPTION OF PLAN – CONTINUED

Vesting – For participants terminating employment for reasons other than death or disability or upon the Normal Retirement age, the Plan has the following graded vesting schedule:

<u>Years of Service</u>	<u>Vesting Percentages</u>
Fewer than 2	0%
2	20%
3	40%
4	60%
5	80%
6	100%

Payment of Benefits – Distributions on account of death, disability, or retirement are made in a lump sum or installments beginning in the Plan year following the event that occurred. Distributions for other separations from service are required to be made after the sixth Plan year following the separation from service and are made in lump sum or annual installments. The amount to be distributed is based upon the account valuation date immediately preceding the distribution. Distributions are made in cash.

Under the provisions of the Plan, the Company is obligated to repurchase participant shares which have been distributed under the terms of the Plan.

Put Option -- Under federal income tax regulations, the employer stock that is held by the Plan and its participants and is not readily tradable on an established market, or is subject to trading imitations, includes a put option. The put option is a right to demand that the Company buy any shares of its stock distributed to participants for which there is no market. The put price is representative of the current value of the stock.

Diversification – Diversification is offered to participants close to retirement so that they may have the opportunity to move part of the value of their investment in Company common stock into investments which are more diversified. Participants, who are at least age 55 with at least 10 years of participation in the Plan, may elect to diversify a portion of their account. There is a \$500 minimum diversification amount.

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – DESCRIPTION OF PLAN – CONTINUED

Forfeitures – Plan forfeitures are allocated to each participant’s account based upon the relation of the participant’s compensation to total compensation for the Plan year. Forfeitures of terminated non-vested account balances were allocated to remaining stock participants at December 31, 2021 and 2020.

Voting Rights -- Each participant is entitled to exercise voting rights attributable to the shares allocated to his or her account and is notified by the Trustee prior to the time that such rights are to be exercised. The Trustee is not permitted to vote any allocated shares for which instructions have not been given by a participant. The Trustee is required, however, to vote any unallocated shares on behalf of the collective best interest of plan participants and beneficiaries.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting – The financial statements of the Plan are prepared using the accrual method of accounting.

Financial Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan’s Administrator to make estimates and assumptions that affect the reported amounts of net assets, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Investment Valuation and Income Recognition – The shares of Company common stock are valued at fair value. See Note 7 for discussion of fair value measurements.

Dividend income is accrued on the ex-dividend date. There was no dividend income in 2022 or 2021.

Purchases and sales of securities are recorded on a trade-date basis. Realized gains and losses from security transactions are reported on the average cost method. Net appreciation includes the Plan’s gains and losses on investments bought and sold, as well as held during the year.

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Payment of Benefits – Benefits are recorded when paid.

Administrative Expenses – As provided in the Plan agreement, administrative expenses may be paid either by the Plan or by the Company. The Company has historically paid the operating expenses for the Plan.

Subsequent Events – In preparing these financial statements, the Plan has evaluated events and transactions for potential recognition or disclosure through October 15, 2023, the date the financial statements were available to be issued.

NOTE 3 – TAX STATUS

The Plan has received a determination letter from the Internal Revenue Service, stating that the Plan is qualified, under the Internal Revenue Code (IRC) and, Therefore, the related trust is exempt from taxation. The Plan has been restated since receiving this determination letter; however the Plan administrator believes the Plan is designed and operated in compliance with applicable requirements of the IRC.

U.S. generally accepted accounting principles require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more-likely-than-not would not be sustained upon examination by the Internal Revenue Service. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. No uncertain tax positions exist as of December 31, 2022.

NOTE 4 – ADMINISTRATION OF PLAN ASSETS

The Plan's assets, which consist principally of Company common shares, are held by the Trustee of the Plan.

Company contributions are held and managed by the Trustee, who utilizes cash received, and makes distributions to participants, and makes loan balance payments.

Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan. Administrative expenses for the Trustee's fees are paid directly by the Company.

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 5 – INVESTMENTS

The Plan's investment in the Equity Engineering Group, Inc.'s stock at December 31, 2022 and 2021, is as follows:

	<u>2022</u>	<u>2021</u>
Allocated shares	51,565	50,677
Unallocated shares	41,522	45,323
Cost – Allocated	<u>\$ 6,311,040</u>	<u>\$ 6,202,548</u>
Cost – Unallocated	<u>\$ 5,081,878</u>	<u>\$ 5,546,927</u>
Fair Value – Allocated	<u>\$ 12,117,849</u>	<u>\$14,746,917</u>
Fair Value – Unallocated	<u>\$ 9,757,647</u>	<u>\$13,189,077</u>

NOTE 6 – RELATED PARTY TRANSACTIONS

The Plan invests in Company common stock. This is a related party and party-in-interest transaction. As described in Notes 1 and 4, the Plan has a number of service providers. Such parties are parties-in-interest under ERISA.

NOTE 7 – FAIR VALUE MEASUREMENTS

Accounting standards provide a framework for measuring fair value. This framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements), and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under the accounting standards are described as follows

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 7 – FAIR VALUE MEASUREMENTS (continued)

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from, or corroborated by, observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measure at fair value. There have been no changes in the methodologies used at December 31, 2022.

Common stock: The fair value of the Sponsor Company common stock held by the Plan is valued at fair valued based upon an independent appraisal. This appraisal was based upon a combination of the market and income valuation techniques consistent with prior years. The appraiser took into account historical and projected cash flow and net income, return on assets, return on equity, market comparables, and fair value of Company assets and liabilities. Plan management has concluded that market participants would also recognize a discount for lack of marketability.

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 7 – FAIR VALUE MEASUREMENTS (continued)

The valuation process involves plan management's selection of an independent appraiser. Plan management accumulates the data for the appraiser from the financial statements of the Company. The appraiser prepares a preliminary report which plan management, along with the ESOP trustee, reviews in detail, discusses and approves. The results of this process are documented in minutes of the plan fiduciary.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2022 and 2021:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Fair Value</u>
EEG, Inc. common stock-2022:	<u>\$ -</u>	<u>\$ -</u>	<u>\$21,875,496</u>	<u>\$21,875,496</u>
EEG, Inc. common stock-2021	<u>\$ -</u>	<u>\$ -</u>	<u>\$27,935,994</u>	<u>\$27,935,994</u>

The following schedule shows a reconciliation of the investment in EEG, Inc's common stock for 2022.

	Investment in EEG, Inc. Common Stock
Value at beginning of year	\$27,935,994
Purchase of shares	(847,614)
Unrealized losses	<u>(5,212,884)</u>
Value at the end of the year	<u>\$21,875,496</u>

Gains and losses included in the Statements of Changes in Net Assets Available for Benefits For the year December 31, 2022, are reported in net depreciation of fair value investments. 12

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 8 – LOAN PAYABLE

In 2012, the Plan entered into a \$11,150,000 term loan agreement with the Owners of the Company to acquire all the outstanding common shares of the Company. In conjunction with the acquisition of the shares, the plan issued nine individual notes of \$1,238,889 with an interest rate of 4%.

Shares are released from collateral and allocated to participants as payments of interest and principal are made. This resulted in approximately 381 shares being released and allocated for the plan year ended December 31, 2022.

During 2022 the Plan sold approximately 2,913 shares to the Company for approximately \$847,615. This \$847,615 is included in payments to participants as the proceeds from the sale of the stock were utilized to purchase shares set to be redeemed by the Plan.

At December 31, 2022 the Plan has a \$5,972,328 note payable at approximately 2.1%. Terms of the note are the note pays interest only through December 31, 2024. Subsequent to December 31, 2024 the note will be paid in 216 monthly installments of approximately \$33,461.

The Plan also has a \$660,390 note payable at 4% at December 31, 2022. Terms of the note are for monthly payments of \$37,850 for 17 months.

The scheduled amortization of the loans for the next five years is as follows:

2023	\$435,714
2024	\$224,676
2025	\$276,704
2026	\$282,487
2027	\$288,391

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 9 – PLAN TERMINATION

The Company reserves the right to terminate the Plan at any time, subject to Plan provisions. Upon such termination of the Plan, the interest of each participant in the trust fund will fully vest and be distributed to such participant or his or her beneficiary at the time prescribed by the Plan terms and the IRC. Upon termination of the Plan, the Employee Benefits Administration Committee shall direct the Trustee to pay all liabilities and expenses of the trust fund.

NOTE 10 – RISKS AND UNCERTAINTIES

The Plan investments consist primarily of the Company's common stock, which is exposed to various risks such as interest rate, market, and credit risks, as well as valuation assumptions based on earnings, cash flows, and/or other such techniques. Due to the level of risk associated with the investment in the common stock and to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in the value of common stock will occur in the near term and that such changes could materially affect the amounts reported in the Statements of Net Assets Available for Benefits.

Cash is held at one bank, balances may exceed federally insured limits from time to time.

NOTE 11 – RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

For the years 2022 and 2021, there were no differences between the financial statements and the Form 5500.

THE EQUITY ENGINEERING GROUP, INC., EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

SCHEDULE H, LINE 4i – SCHEDULE OF ASSETS (HELD AT END OF YEAR)

PLAN'S EMPLOYER IDENTIFICATION NUMBER: 34-1970354

PLAN NUMBER: 002

December 31, 2022

(b) Identity of issue Borrower, Lessor, (a) or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, and Par or Maturity Value	(d) Cost	(e) Current Value
*The Equity Engineering Group, Inc.	93,087 shares of no-par value common stock	<u>\$11,392,918</u>	<u>\$21,875,496</u>

- Represents a party-in-interest to the Plan

BSE PARTNERS, LLC
41 South High Street, Suite 1690
Columbus, Ohio
43215

614-204-6470

bradbsepartners@icloud.com
614-228-8406 (FAX)

Michael P. Sherban
General Counsel
Equity Engineering Group, Inc.
20600 Chagrin Boulevard
Shaker Heights, OH 44122

June 13, 2023

We are pleased to confirm our understanding of the services we are to provide for the Equity Engineering Group, Inc., ESOP Plan for the years ended December 31, 2022 and 2021 in connection with its annual reporting obligation under the Employee Retirement Income Security Act of 1974 (ERISA).

Audit Scope and Objectives

We will audit the financial statements of Equity Engineering Group, Inc. ESOP Plan, which comprise the statements of net assets available for benefits as of December 31, 2022 and 2021 and the related statement of changes in net assets available for benefits for the year ended December 31, 2022 and the related disclosures (collectively the “financial statements”), and report on the supplemental schedule of the Plan for the year ended December 31, 2022. Also the following supplementary information accompanying the financial statements, as applicable, will be subjected to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the the underlying accounting and other records used to prepare the financial statements, in accordance with auditing standards generally accepted in the United States of America, and we will report on whether the information is fairly stated in all material respects in relation to the financial statements as a whole.

1. Assets (Held at End of Year)

These financial statements and supplemental schedule are required to be included in the plan's 5500 filing with the Employee Benefits Security Administration of the Department of Labor. The supplemental schedule is presented for the purpose of additional analysis and are not a required part of the financial statements but are supplemental information required by DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinion about whether your financial statements are fairly presented in all material respects, in conformity with accounting principals generally accepted in the United States of America. Reasonable assurance is a high level of of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement of a reasonable user made based on the financial statements .

Auditor's Responsibility for the Audit of the financial statements

We will conduct our audit in accordance with GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. As part of an audit in accordance with GAAS, we exercise professional judgement and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations including prohibited transactions with parties in interest or other ERISA rules and regulations, including that are attributable to the Plan or to acts by management or employees acting on behalf of the Plan.

Because of the inherent limitations of an audit, combined with inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance

with GAAS. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential and will include prohibited transactions in the supplemental schedule of nonexempt transactions as required by the instructions to Form 5500. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will obtain an understanding of the Plan and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to you and those charged with governance of internal control related matters that are required to be communicated under professional standards.

We have identified the following significant risk(s) of material misstatement as part of our audit planning:

- 1) Investments
- 2) Contributions received and receivable

We will also based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and direct confirmation for certain assets and liabilities when deemed necessary. At the conclusion of our audit, we will also request written representations from your attorneys as part of the engagement.

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and

safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

In addition, we will perform certain procedures directed at considering the Plan's compliance with applicable Internal Revenue Service (IRS) requirements for tax exempt status and ERISA plan qualification requirements. However, you should understand that our audit is not specifically designed for, and should not be relied upon, to disclose matters affecting plan qualifications or compliance with the ERISA and IRS requirements. If during the audit we become aware of any instances of any such matters or ways in which management practices can be improved, we will communicate them to you.

Our audit of the financial statements does not release you of your responsibilities related to the preparation and fair presentation of the financial statements.

Other Services

We will prepare the financial statements of the Plan in conformity with U.S. generally accepted accounting principals based upon information provided by you. We will perform this service in accordance with applicable professional standards. The other service is limited to the financial service as defined. We, in our sole professional judgement, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

As you have instructed, our engagement does not include preparation of the plan's Form 5500. The AICPA 2020 Audit and Accounting Guide, Employee Benefit Plans, require that, before an auditor's report on the Plan's financial statements can be included with a filed Form 5500 including any related schedules, the auditor must review the Form 5500 and consider whether there are any material inconsistencies between the other information in the form and the audited statements including the required supplemental schedules or any material misstatement of fact. We will, therefore, not issue our auditor's report until the completed Form 5500 has been provided for our review.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities, the selection and application of accounting principles; for establishing an accounting and financial reporting process for determining appropriate value measurements and for preparation and fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America. You are also responsible for making drafts of financial statements, all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties, parties in interest, and all related-party and party-in-interest relationships and transactions and other matters. (2) additional information that we may request for the purpose of the audit and; (3) unrestricted access to persons within the Plan from whom we determine it necessary to obtain audit evidence. You are also responsible for maintaining a current plan instrument, including all plan amendments; for administering the Plan and determining that the Plan's transactions are presented and disclosed in the financial statements are in conformity with the Plan's provision, including maintaining sufficient records with respect to each of the participants to determine the benefits due or which may be due to such participants. You are also responsible for providing to us, prior to the dating of our report, a draft of the Plan's 5500 that is substantially complete. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the written management presentation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken a whole.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the plan involving (1) Plan management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the plan received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the Plan complies with applicable laws and regulations. You are also responsible for the fair presentation of the supplemental schedule and the form and content in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon.

You agree to assume all management responsibility for any non attest services we provide; oversee the services by designating an individual, preferably from senior management, with a suitable skill, knowledge, and/or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We understand that your personnel will prepare schedules, analyses, and all confirmations we request and will locate any invoices or other documents selected by us for testing.

The audit documentation for this engagement is the property of BSE Partners, LLC, and constitutes confidential information. However, we may be requested to make certain audit documentation available to the U.S. Department of Labor pursuant to authority given to it by law. If requested, access to such audit documentation will be provided under the supervision of BSE Partners, LLC's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the U.S. Department of Labor. The U.S. Department of Labor may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

Brad Eldridge is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. We expect to begin our audit on approximately July 15, 2023, and issue our report no later than September 15, 2023. As you have instructed, our engagement does not include preparation of the Plan's Form 5500.

We estimate that our fees for these services will not exceed \$8,500. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation.

Reporting

We will issue a written report upon completion of our audit of the Plan's financial statements. Our report will be addressed to the Plan Administrator. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, add a separate section, or add an emphasis-of matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinion is other than unmodified, we will discuss the reason's in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express opinion or withdraw from this engagement.

We appreciate the opportunity to be of service to Equity Engineering Group, Inc. ESOP Plan and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

BSE Partners, LLC
BSE Partners, LLC

RESPONSE:

This letter correctly sets forth the understanding of Equity Engineering Group, Inc. ESOP Plan.

Michael Sherban

Date: 10/13/23

**Equity Engineering Group, Inc.
20600 Chagrin Boulevard
Shaker Heights, OH 44122**

October 13, 2023

BSE Partners LLC
Certified Public Accountant
41 South High Street, Suite 1690
Columbus, OH 43215

This representation letter is provided in connection with your audit of the financial statements and supplemental schedule of Equity Engineering Group, Inc. ESOP Plan, which comprise the statement of net assets available for benefits as of December 31, 2022 and 2021, and related statement of changes in net assets available for benefits for the year ended December 31, 2022, and the disclosures (collectively, "the financial statement"), for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States (U.S. GAAP) and whether the supplemental schedule is fairly stated in all material respects in relation to the financial statements as a whole.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm to the best of our knowledge and belief, as of October 13, 2023, the following representations made to you during your audit.

Financial Statements

- a. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated June 13, 2023 including our responsibility for the preparation and fair presentation of the financial statements.
- b. The financial statements referred to above are fairly presented in conformity with U.S. GAAP, the notes include all disclosures required by laws and relations to which the plan is subject, including the DOL Rules and Regulations for Reporting and Disclosure under ERISA, and the supplemental schedule referred to above are fairly presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 197

- c. We acknowledge our responsibility for administering the plan and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants to determine the benefits due or which may become due to such participants.
- d. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.
- e. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
- f. Significant assumptions we used in making accounting estimates, including those measured at fair value are reasonable.
- g. Related party relationships and transactions and relationships and transactions with parties-in-interest, as defined in ERISA Section 3(14) and regulations thereunder, have been appropriately accounted for and disclosed in accordance with U.S. GAAP and ERISA Section 3(14) and regulations thereunder.
- h. All events subsequent to the date of the financial statements and for which U.S. GAAP required adjustment or disclosure have been adjusted or disclosed.
- i. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- j. Other matters (e.g., breach of fiduciary responsibilities, non-exempt transactions, loans or leases in default, events reportable to the PBGC, or events that may jeopardize the tax status) that legal counsel has advised us that must be disclosed have been properly disclosed.
- k. Significant estimates and material concentrations have been properly disclosed in accordance with U.S. GAAP.
- l. Financial instruments with concentrations of credit risk have been properly recorded or disclosed in the financial statements.
- n. Guarantees, whether written or oral, under which the company is contingently liable, have been properly recorded or disclosed in the financial statements.
- m. The supplemental schedule or financial statements disclose the following:
 - Investments held at year end

Information Provided

- We have provided you with:
 - Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - A substantially complete draft of Form 5500
 - Additional information that you have requested from us for the purpose of the audit.
 - Unrestricted access to persons within the Organization from whom you determined it necessary to obtain audit evidence.
 - Current plan instruments, trust agreements, insurance contracts, or investment contracts and amendments such documents entered into during the year, including amendments to comply with applicable laws.
 - All material transactions have been recorded in the accounting records and are reflected in the financial statements.
 - We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
 - We have no knowledge of any instances of any fraud that affects the Plan and involves:
 - a. Management,
 - b. Employees who have significant roles in internal control, or
 - c. Others where the fraud could have a material effect on the financial statements.
 - We have no knowledge of any allegations of fraud or suspected fraud affecting the organization's financial statements communicated by employees, former employees, grantors, regulators, or others.
 - We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the the financial statements.
 - We have disclosed to you the identity of the organization's related parties

and all the related party relationships and transactions of which we are aware.

- The plan has satisfactory title to all owned assets, which are recorded at fair value, and all liens, encumbrances, or security interest requiring disclosures in the financial statements have been properly disclosed.
- The plan has complied with the fidelity bonding requirements of ERISA.
- We have no –
 - a. Plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
 - b. Intentions to terminate the plan.
- Amendments to the plan instrument, if any, have been properly recorded or disclosed in the financial statements.
- The Plan has complied with all aspects of debt and other contractual agreements that would have material effect on the financial statements in the event of noncompliance.
- The methods and significant assumptions used to estimate fair values of financial instruments, including non-readily marketable securities, result in a measure of fair value appropriate for financial measurement and disclosure purposes.
- All required amendments and filings of The Equity Engineering Group, Inc. 401(k) Plan documents with the appropriate agencies have been made.
- The plan is qualified under the appropriate section of the Internal Revenue Code and we intend to continue them as a qualified plan. The plan sponsor has operated the Plan in a manner that did not jeopardize this tax status. Required nondiscrimination testing related to Code Section 401 (k) and 401 (m) arrangements, as applicable, has been Completed for the plan, and any excess deferrals or contributions have been disposed of in accordance with regulations.
- The Plan has complied with Department of Labor's regulations concerning The timely remittance of participant contributions to trust containing Assets for the plan
- The plan has complied with the fidelity bonding requirements of ERISA.
- We have apprised you of all communications, whether written or oral, with

regulatory agencies concerning the operation of the plan

- We have obtained appropriate fee disclosures from covered service providers and have concluded the fees are reasonable. The Plan is in compliance with DOL regulations regarding ERISA Section 408(b)(2)

- We acknowledge our responsibility for presenting the supplemental schedule, in accordance with U.S. GAAP and in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and we believe the supplemental schedule, including its form and content, is fairly presented in accordance with U.S. GAAP and in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. The methods of measurement and presentation of the supplemental schedules have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplemental schedules.

- In regard to the preparation of the financial statements performed by you. We have assumed all management responsibilities, designated Eric Gehrke who has the suitable skill, knowledge, or experience to oversee the services, evaluated the adequacy of the services provided and accepted responsibility for the results of the service.

Signature: Michael Sherban

Title: General Counsel, Corporate Secretary

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 2021 This Form is Open to Public Inspection
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Part I Annual Report Identification Information			
For calendar plan year 2021 or fiscal plan year beginning		01/01/2021	and ending
		12/31/2021	
A This return/report is for:	☐ a multiemployer plan	☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)	
	☒ a single-employer plan	☐ a DFE (specify) _____	
B This return/report is:	☐ the first return/report	☐ the final return/report	
	☐ an amended return/report	☐ a short plan year return/report (less than 12 months)	
C If the plan is a collectively-bargained plan, check here.....	☐		
D Check box if filing under:	☒ Form 5558	☐ automatic extension	☐ the DFVC program
	☐ special extension (enter description) _____		
E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here.....	☐		

Part II Basic Plan Information —enter all requested information			
1a Name of plan The Equity Engineering Group, Inc. Employee Stock Ownership Plan and Trust	1b Three-digit plan number (PN) ▶	002	
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) The Equity Engineering Group, Inc. 20600 Chagrin Blvd, Suite 1200 Shaker Heights OH 44122	1c Effective date of plan 10/01/2012	2b Employer Identification Number (EIN) 32-0430595	2c Plan Sponsor's telephone number (216) 283-6021
		2d Business code (see instructions) 541330	

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	 Signature of plan administrator	10/10/23 Date	Michael Sherban Enter name of individual signing as plan administrator
SIGN HERE	 Signature of employer/plan sponsor	 Date	 Enter name of individual signing as employer or plan sponsor
SIGN HERE	 Signature of DFE	 Date	 Enter name of individual signing as DFE

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2021)
v. 210624

3a Plan administrator's name and address ☒ Same as Plan Sponsor		3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>	
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name		4b EIN 4d PN	
5 Total number of participants at the beginning of the plan year		5	154
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1), 6a(2), 6b, 6c, and 6d).			
a(1) Total number of active participants at the beginning of the plan year.....		6a(1)	124
a(2) Total number of active participants at the end of the plan year.....		6a(2)	131
b Retired or separated participants receiving benefits.....		6b	8
c Other retired or separated participants entitled to future benefits.....		6c	21
d Subtotal. Add lines 6a(2), 6b, and 6c.....		6d	160
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....		6e	0
f Total. Add lines 6d and 6e.....		6f	160
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....		6g	159
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....		6h	3
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....		7	
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2P 2Q 3I			
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:			
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)			
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information - Small Plan) (3) ☐ A (Insurance Information) (4) ☐ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)	

**THE EQUITY ENGINEERING GROUP, INC.
EMPLOYEE STOCK
OWNERSHIP PLAN AND TRUST**

**FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

Years Ended December 31, 2022 and 2021

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INDEPENDENT AUDITORS' REPORT

Plan Administrator
The Equity Engineering Group, Inc.
Employee Stock Ownership Plan and Trust
Shaker Heights, Ohio

Opinion

We have audited the accompanying financial statements of The Equity Engineering Group Inc. **Employee Stock Ownership Plan and Trust** (the Plan), which comprise the statement of net assets available for benefits as of December 31, 2022 and 2021 and the related statement of changes in net assets available for benefits for the year ended December 31, 2022, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of The Equity Engineering Group, Inc. Employee Stock Ownership Plan and Trust as of December 31, 2022 and 2021, and the changes in net assets available for benefits for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Equity Engineering Group, Inc. Employee Stock Ownership Plan and Trust and to meet our ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Equity

INDEPENDENT AUDITORS' REPORT

Engineering Group, Inc. Employee Stock Ownership Plan and Trust's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the plan, and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The Equity Engineering Group, Inc. Employee Stock Ownership Plan and Trust's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

INDEPENDENT AUDITORS' REPORT

- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Equity Engineering Group, Inc. Plan and Trust's ability to continue as a going concern for a reasonable period of time

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplemental Schedule Required by ERISA

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental Schedule of Assets (Held at End of Year) is presented for the purpose of additional analysis and is not a required part of the financial statements, but is supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion, the information in the accompanying schedule is fairly stated, in all material respects, in relation to the financial statements as a whole, and the form and content are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

YBE Partners, LLC

Columbus, Ohio
October 5, 2023

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2022 and 2021

	Allocated	2022 Unallocated	Total	Allocated	2021 Unallocated	Total
Assets:						
Cash Equivalents	\$ 246,365	\$ -	\$ 246,365	\$ 922,240	\$ -	\$ 922,240
Contribution Receivable	541,641		541,641	83,890		83,890
EEG Common Stock	12,117,849	9,757,647	21,875,496	14,746,917	13,189,077	27,935,994
Total Assets	12,905,855	9,757,647	22,663,502	15,753,047	13,189,077	28,942,124
Liabilities:						
Outstanding Loan Balance	-	6,632,718	6,632,718	-	7,051,376	7,051,376
Accrued Interest	-			-	124,822	124,822
Total Liabilities	-	6,632,718	6,632,718	-	7,176,198	7,176,198
Net Assets Available for Benefits	\$12,905,855	\$3,124,929	\$ 16,030,784	\$ 15,753,047	\$ 6,012,879	\$ 21,765,926

See notes to financial statements.

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Year ended December 31, 2022

	Allocated	2022 Unallocated	Total
Income:			
Employer Contribution	\$ 960,046	\$ 280,343	\$ 1,240,389
Share Release (at Fair market value)	893,327	-	893,327
Unrealized Appreciation	-	-	-
Total Income	1,853,373	280,343	2,133,716
Expenses:			
Interest Expense	-	155,520	155,520
Payments to Participants	1,607,127	-	1,607,127
Share Release (at fair market value)	-	893,327	893,327
Debt Payments	418,658	(418,658)	-
Unrealized depreciation	2,674,780	2,538,104	5,212,884
Total Expenses	4,700,565	3,168,293	7,868,858
Change in Net Assets Available for Benefits	(2,847,192)	(2,887,950)	(5,735,142)
Net Assets at Beginning of Plan Year	15,753,047	6,012,879	21,765,926
Net Assets Available for Benefits at year end	\$12,905,855	\$3,124,929	\$16,030,784

See Notes to financial statements

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – DESCRIPTION OF PLAN

The following description of The Equity Engineering Group, Inc. **Employee Stock Ownership Plan and Trust** (the “Plan”) provides only general information. Participants should refer to the Plan Agreement for a more complete description of the Plan’s provisions.

General – The Equity Engineering Group, Inc. (the “Company”) established the employee stock ownership plan effective as of October 1, 2012, for all employees of the Company other than leased employees, non-resident alien, a disqualified person or employees covered under a collective bargaining agreement. As of October 1, 2012, the Plan operates as an employee stock ownership plan (ESOP), and is designed to comply with Section 4975(e)(7) and the regulations thereunder of the Internal Revenue Code of 1986, as amended (IRC) and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan is administered by an Employee Benefits Administration Committee which consists of not less than one person appointed by the Sponsor Company. The Plan was restated in 2018.

The Plan purchased the Company common stock by issuing notes payable to the former owners of the Company in a trust established under the Plan.

Eligibility – Employees of the Company are generally eligible to participate in the Plan after twelve months of service provided they worked at least 1,000 hours during the Plan year, received compensation during the Plan year, and were employed on the last day of the Plan year and were 21 years of age or older.

Employer Contributions – The Company is obligated to make contributions in cash to the Plan, equal the amount necessary to enable the Plan to make its regularly scheduled loan payments.

Participant Accounts – The Plan is a defined contribution plan under which a separate individual account is established for each participant. Each participant’s account is credited as of the last day of each Plan year with an allocation of shares of the Company’s common stock released by the Trustee from the unallocated account and the forfeitures of terminated participants’ non-vested accounts. Only those participants who are eligible employees of the Company as of the last day of the Plan year will received an allocation. Allocations are based on a participant’s eligible compensation, relative to total eligible compensation. Plan earnings are allocated to each participant’s account based on the ratio of the participant’s beginning of the year account balance to all participants’ beginning of the year account balances.

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – DESCRIPTION OF PLAN – CONTINUED

Vesting – For participants terminating employment for reasons other than death or disability or upon the Normal Retirement age, the Plan has the following graded vesting schedule:

<u>Years of Service</u>	<u>Vesting Percentages</u>
Fewer than 2	0%
2	20%
3	40%
4	60%
5	80%
6	100%

Payment of Benefits – Distributions on account of death, disability, or retirement are made in a lump sum or installments beginning in the Plan year following the event that occurred. Distributions for other separations from service are required to be made after the sixth Plan year following the separation from service and are made in lump sum or annual installments. The amount to be distributed is based upon the account valuation date immediately preceding the distribution. Distributions are made in cash.

Under the provisions of the Plan, the Company is obligated to repurchase participant shares which have been distributed under the terms of the Plan.

Put Option -- Under federal income tax regulations, the employer stock that is held by the Plan and its participants and is not readily tradable on an established market, or is subject to trading imitations, includes a put option. The put option is a right to demand that the Company buy any shares of its stock distributed to participants for which there is no market. The put price is representative of the current value of the stock.

Diversification – Diversification is offered to participants close to retirement so that they may have the opportunity to move part of the value of their investment in Company common stock into investments which are more diversified. Participants, who are at least age 55 with at least 10 years of participation in the Plan, may elect to diversify a portion of their account. There is a \$500 minimum diversification amount.

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – DESCRIPTION OF PLAN – CONTINUED

Forfeitures – Plan forfeitures are allocated to each participant’s account based upon the relation of the participant’s compensation to total compensation for the Plan year. Forfeitures of terminated non-vested account balances were allocated to remaining stock participants at December 31, 2021 and 2020.

Voting Rights -- Each participant is entitled to exercise voting rights attributable to the shares allocated to his or her account and is notified by the Trustee prior to the time that such rights are to be exercised. The Trustee is not permitted to vote any allocated shares for which instructions have not been given by a participant. The Trustee is required, however, to vote any unallocated shares on behalf of the collective best interest of plan participants and beneficiaries.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting – The financial statements of the Plan are prepared using the accrual method of accounting.

Financial Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan’s Administrator to make estimates and assumptions that affect the reported amounts of net assets, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Investment Valuation and Income Recognition – The shares of Company common stock are valued at fair value. See Note 7 for discussion of fair value measurements.

Dividend income is accrued on the ex-dividend date. There was no dividend income in 2022 or 2021.

Purchases and sales of securities are recorded on a trade-date basis. Realized gains and losses from security transactions are reported on the average cost method. Net appreciation includes the Plan’s gains and losses on investments bought and sold, as well as held during the year.

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Payment of Benefits – Benefits are recorded when paid.

Administrative Expenses – As provided in the Plan agreement, administrative expenses may be paid either by the Plan or by the Company. The Company has historically paid the operating expenses for the Plan.

Subsequent Events – In preparing these financial statements, the Plan has evaluated events and transactions for potential recognition or disclosure through October 15, 2023, the date the financial statements were available to be issued.

NOTE 3 – TAX STATUS

The Plan has received a determination letter from the Internal Revenue Service, stating that the Plan is qualified, under the Internal Revenue Code (IRC) and, Therefore, the related trust is exempt from taxation. The Plan has been restated since receiving this determination letter; however the Plan administrator believes the Plan is designed and operated in compliance with applicable requirements of the IRC.

U.S. generally accepted accounting principles require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more-likely-than-not would not be sustained upon examination by the Internal Revenue Service. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. No uncertain tax positions exist as of December 31, 2022.

NOTE 4 – ADMINISTRATION OF PLAN ASSETS

The Plan's assets, which consist principally of Company common shares, are held by the Trustee of the Plan.

Company contributions are held and managed by the Trustee, who utilizes cash received, and makes distributions to participants, and makes loan balance payments.

Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan. Administrative expenses for the Trustee's fees are paid directly by the Company.

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 5 – INVESTMENTS

The Plan's investment in the Equity Engineering Group, Inc.'s stock at December 31, 2022 and 2021, is as follows:

	<u>2022</u>	<u>2021</u>
Allocated shares	51,565	50,677
Unallocated shares	41,522	45,323
Cost – Allocated	<u>\$ 6,311,040</u>	<u>\$ 6,202,548</u>
Cost – Unallocated	<u>\$ 5,081,878</u>	<u>\$ 5,546,927</u>
Fair Value – Allocated	<u>\$ 12,117,849</u>	<u>\$14,746,917</u>
Fair Value – Unallocated	<u>\$ 9,757,647</u>	<u>\$13,189,077</u>

NOTE 6 – RELATED PARTY TRANSACTIONS

The Plan invests in Company common stock. This is a related party and party-in-interest transaction. As described in Notes 1 and 4, the Plan has a number of service providers. Such parties are parties-in-interest under ERISA.

NOTE 7 – FAIR VALUE MEASUREMENTS

Accounting standards provide a framework for measuring fair value. This framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements), and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under the accounting standards are described as follows

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 7 – FAIR VALUE MEASUREMENTS (continued)

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from, or corroborated by, observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measure at fair value. There have been no changes in the methodologies used at December 31, 2022.

Common stock: The fair value of the Sponsor Company common stock held by the Plan is valued at fair valued based upon an independent appraisal. This appraisal was based upon a combination of the market and income valuation techniques consistent with prior yeas. The appraiser took into account historical and projected cash flow and net income, return on assets, return on equity, market comparables, and fair value of Company assets and liabilities. Plan management has concluded that market participants would also recognize a discount for lack of marketability.

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 7 – FAIR VALUE MEASUREMENTS (continued)

The valuation process involves plan management's selection of an independent appraiser. Plan management accumulates the data for the appraiser from the financial statements of the Company. The appraiser prepares a preliminary report which plan management, along with the ESOP trustee, reviews in detail, discusses and approves. The results of this process are documented in minutes of the plan fiduciary.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2022 and 2021:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Fair Value</u>
EEG, Inc. common stock-2022:	<u>\$ -</u>	<u>\$ -</u>	<u>\$21,875,496</u>	<u>\$21,875,496</u>
EEG, Inc. common stock-2021	<u>\$ -</u>	<u>\$ -</u>	<u>\$27,935,994</u>	<u>\$27,935,994</u>

The following schedule shows a reconciliation of the investment in EEG, Inc's common stock for 2022.

	Investment in EEG, Inc. Common Stock
Value at beginning of year	\$27,935,994
Purchase of shares	(847,614)
Unrealized losses	<u>(5,212,884)</u>
Value at the end of the year	<u>\$21,875,496</u>

Gains and losses included in the Statements of Changes in Net Assets Available for Benefits For the year December 31, 2022, are reported in net depreciation of fair value investments. 12

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 8 – LOAN PAYABLE

In 2012, the Plan entered into a \$11,150,000 term loan agreement with the Owners of the Company to acquire all the outstanding common shares of the Company. In conjunction with the acquisition of the shares, the plan issued nine individual notes of \$1,238,889 with an interest rate of 4%.

Shares are released from collateral and allocated to participants as payments of interest and principal are made. This resulted in approximately 381 shares being released and allocated for the plan year ended December 31, 2022.

During 2022 the Plan sold approximately 2,913 shares to the Company for approximately \$847,615. This \$847,615 is included in payments to participants as the proceeds from the sale of the stock were utilized to purchase shares set to be redeemed by the Plan.

At December 31, 2022 the Plan has a \$5,972,328 note payable at approximately 2.1%. Terms of the note are the note pays interest only through December 31, 2024. Subsequent to December 31, 2024 the note will be paid in 216 monthly installments of approximately \$33,461.

The Plan also has a \$660,390 note payable at 4% at December 31, 2022. Terms of the note are for monthly payments of \$37,850 for 17 months.

The scheduled amortization of the loans for the next five years is as follows:

2023	\$435,714
2024	\$224,676
2025	\$276,704
2026	\$282,487
2027	\$288,391

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 9 – PLAN TERMINATION

The Company reserves the right to terminate the Plan at any time, subject to Plan provisions. Upon such termination of the Plan, the interest of each participant in the trust fund will fully vest and be distributed to such participant or his or her beneficiary at the time prescribed by the Plan terms and the IRC. Upon termination of the Plan, the Employee Benefits Administration Committee shall direct the Trustee to pay all liabilities and expenses of the trust fund.

NOTE 10 – RISKS AND UNCERTAINTIES

The Plan investments consist primarily of the Company's common stock, which is exposed to various risks such as interest rate, market, and credit risks, as well as valuation assumptions based on earnings, cash flows, and/or other such techniques. Due to the level of risk associated with the investment in the common stock and to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in the value of common stock will occur in the near term and that such changes could materially affect the amounts reported in the Statements of Net Assets Available for Benefits.

Cash is held at one bank, balances may exceed federally insured limits from time to time.

NOTE 11 – RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

For the years 2022 and 2021, there were no differences between the financial statements and the Form 5500.

THE EQUITY ENGINEERING GROUP, INC., EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

SCHEDULE H, LINE 4i – SCHEDULE OF ASSETS (HELD AT END OF YEAR)

PLAN'S EMPLOYER IDENTIFICATION NUMBER: 34-1970354

PLAN NUMBER: 002

December 31, 2022

(b) Identity of issue Borrower, Lessor, (a) or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, and Par or Maturity Value	(d) Cost	(e) Current Value
*The Equity Engineering Group, Inc.	93,087 shares of no-par value common stock	<u>\$11,392,918</u>	<u>\$21,875,496</u>

- Represents a party-in-interest to the Plan

BSE PARTNERS, LLC
41 South High Street, Suite 1690
Columbus, Ohio
43215

614-204-6470

bradbsepartners@icloud.com
614-228-8406 (FAX)

Michael P. Sherban
General Counsel
Equity Engineering Group, Inc.
20600 Chagrin Boulevard
Shaker Heights, OH 44122

June 13, 2023

We are pleased to confirm our understanding of the services we are to provide for the Equity Engineering Group, Inc., ESOP Plan for the years ended December 31, 2022 and 2021 in connection with its annual reporting obligation under the Employee Retirement Income Security Act of 1974 (ERISA).

Audit Scope and Objectives

We will audit the financial statements of Equity Engineering Group, Inc. ESOP Plan, which comprise the statements of net assets available for benefits as of December 31, 2022 and 2021 and the related statement of changes in net assets available for benefits for the year ended December 31, 2022 and the related disclosures (collectively the “financial statements”), and report on the supplemental schedule of the Plan for the year ended December 31, 2022. Also the following supplementary information accompanying the financial statements, as applicable, will be subjected to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements, in accordance with auditing standards generally accepted in the United States of America, and we will report on whether the information is fairly stated in all material respects in relation to the financial statements as a whole.

1. Assets (Held at End of Year)

These financial statements and supplemental schedule are required to be included in the plan's 5500 filing with the Employee Benefits Security Administration of the Department of Labor. The supplemental schedule is presented for the purpose of additional analysis and are not a required part of the financial statements but are supplemental information required by DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinion about whether your financial statements are fairly presented in all material respects, in conformity with accounting principals generally accepted in the United States of America. Reasonable assurance is a high level of of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement of a reasonable user made based on the financial statements .

Auditor's Responsibility for the Audit of the financial statements

We will conduct our audit in accordance with GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. As part of an audit in accordance with GAAS, we exercise professional judgement and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations including prohibited transactions with parties in interest or other ERISA rules and regulations, including that are attributable to the Plan or to acts by management or employees acting on behalf of the Plan.

Because of the inherent limitations of an audit, combined with inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance

with GAAS. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential and will include prohibited transactions in the supplemental schedule of nonexempt transactions as required by the instructions to Form 5500. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will obtain an understanding of the Plan and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to you and those charged with governance of internal control related matters that are required to be communicated under professional standards.

We have identified the following significant risk(s) of material misstatement as part of our audit planning:

- 1) Investments
- 2) Contributions received and receivable

We will also based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and direct confirmation for certain assets and liabilities when deemed necessary. At the conclusion of our audit, we will also request written representations from your attorneys as part of the engagement.

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and

safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

In addition, we will perform certain procedures directed at considering the Plan's compliance with applicable Internal Revenue Service (IRS) requirements for tax exempt status and ERISA plan qualification requirements. However, you should understand that our audit is not specifically designed for, and should not be relied upon, to disclose matters affecting plan qualifications or compliance with the ERISA and IRS requirements. If during the audit we become aware of any instances of any such matters or ways in which management practices can be improved, we will communicate them to you.

Our audit of the financial statements does not release you of your responsibilities related to the preparation and fair presentation of the financial statements.

Other Services

We will prepare the financial statements of the Plan in conformity with U.S. generally accepted accounting principals based upon information provided by you. We will perform this service in accordance with applicable professional standards. The other service is limited to the financial service as defined. We, in our sole professional judgement, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

As you have instructed, our engagement does not include preparation of the plan's Form 5500. The AICPA 2020 Audit and Accounting Guide, Employee Benefit Plans, require that, before an auditor's report on the Plan's financial statements can be included with a filed Form 5500 including any related schedules, the auditor must review the Form 5500 and consider whether there are any material inconsistencies between the other information in the form and the audited statements including the required supplemental schedules or any material misstatement of fact. We will, therefore, not issue our auditor's report until the completed Form 5500 has been provided for our review.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities, the selection and application of accounting principles; for establishing an accounting and financial reporting process for determining appropriate value measurements and for preparation and fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America. You are also responsible for making drafts of financial statements, all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties, parties in interest, and all related-party and party-in-interest relationships and transactions and other matters. (2) additional information that we may request for the purpose of the audit and; (3) unrestricted access to persons within the Plan from whom we determine it necessary to obtain audit evidence. You are also responsible for maintaining a current plan instrument, including all plan amendments; for administering the Plan and determining that the Plan's transactions are presented and disclosed in the financial statements are in conformity with the Plan's provision, including maintaining sufficient records with respect to each of the participants to determine the benefits due or which may be due to such participants. You are also responsible for providing to us, prior to the dating of our report, a draft of the Plan's 5500 that is substantially complete. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the written management presentation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken a whole.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the plan involving (1) Plan management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the plan received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the Plan complies with applicable laws and regulations. You are also responsible for the fair presentation of the supplemental schedule and the form and content in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon.

You agree to assume all management responsibility for any non attest services we provide; oversee the services by designating an individual, preferably from senior management, with a suitable skill, knowledge, and/or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We understand that your personnel will prepare schedules, analyses, and all confirmations we request and will locate any invoices or other documents selected by us for testing.

The audit documentation for this engagement is the property of BSE Partners, LLC, and constitutes confidential information. However, we may be requested to make certain audit documentation available to the U.S. Department of Labor pursuant to authority given to it by law. If requested, access to such audit documentation will be provided under the supervision of BSE Partners, LLC's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the U.S. Department of Labor. The U.S. Department of Labor may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

Brad Eldridge is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. We expect to begin our audit on approximately July 15, 2023, and issue our report no later than September 15, 2023. As you have instructed, our engagement does not include preparation of the Plan's Form 5500.

We estimate that our fees for these services will not exceed \$8,500. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation.

Reporting

We will issue a written report upon completion of our audit of the Plan's financial statements. Our report will be addressed to the Plan Administrator. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, add a separate section, or add an emphasis-of matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinion is other than unmodified, we will discuss the reason's in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express opinion or withdraw from this engagement.

We appreciate the opportunity to be of service to Equity Engineering Group, Inc. ESOP Plan and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

BSE Partners, LLC
BSE Partners, LLC

RESPONSE:

This letter correctly sets forth the understanding of Equity Engineering Group, Inc. ESOP Plan.

Michael Sherban

Date: 10/13/23

**Equity Engineering Group, Inc.
20600 Chagrin Boulevard
Shaker Heights, OH 44122**

October 13, 2023

BSE Partners LLC
Certified Public Accountant
41 South High Street, Suite 1690
Columbus, OH 43215

This representation letter is provided in connection with your audit of the financial statements and supplemental schedule of Equity Engineering Group, Inc. ESOP Plan, which comprise the statement of net assets available for benefits as of December 31, 2022 and 2021, and related statement of changes in net assets available for benefits for the year ended December 31, 2022, and the disclosures (collectively, "the financial statement"), for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States (U.S. GAAP) and whether the supplemental schedule is fairly stated in all material respects in relation to the financial statements as a whole.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm to the best of our knowledge and belief, as of October 13, 2023, the following representations made to you during your audit.

Financial Statements

- a. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated June 13, 2023 including our responsibility for the preparation and fair presentation of the financial statements.
- b. The financial statements referred to above are fairly presented in conformity with U.S. GAAP, the notes include all disclosures required by laws and relations to which the plan is subject, including the DOL Rules and Regulations for Reporting and Disclosure under ERISA, and the supplemental schedule referred to above are fairly presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 197

- c. We acknowledge our responsibility for administering the plan and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants to determine the benefits due or which may become due to such participants.
- d. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.
- e. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
- f. Significant assumptions we used in making accounting estimates, including those measured at fair value are reasonable.
- g. Related party relationships and transactions and relationships and transactions with parties-in-interest, as defined in ERISA Section 3(14) and regulations thereunder, have been appropriately accounted for and disclosed in accordance with U.S. GAAP and ERISA Section 3(14) and regulations thereunder.
- h. All events subsequent to the date of the financial statements and for which U.S. GAAP required adjustment or disclosure have been adjusted or disclosed.
- i. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- j. Other matters (e.g., breach of fiduciary responsibilities, non-exempt transactions, loans or leases in default, events reportable to the PBGC, or events that may jeopardize the tax status) that legal counsel has advised us that must be disclosed have been properly disclosed.
- k. Significant estimates and material concentrations have been properly disclosed in accordance with U.S. GAAP.
- l. Financial instruments with concentrations of credit risk have been properly recorded or disclosed in the financial statements.
- n. Guarantees, whether written or oral, under which the company is contingently liable, have been properly recorded or disclosed in the financial statements.
- m. The supplemental schedule or financial statements disclose the following:
 - Investments held at year end

Information Provided

- We have provided you with:
 - Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - A substantially complete draft of Form 5500
 - Additional information that you have requested from us for the purpose of the audit.
 - Unrestricted access to persons within the Organization from whom you determined it necessary to obtain audit evidence.
 - Current plan instruments, trust agreements, insurance contracts, or investment contracts and amendments such documents entered into during the year, including amendments to comply with applicable laws.
 - All material transactions have been recorded in the accounting records and are reflected in the financial statements.
 - We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
 - We have no knowledge of any instances of any fraud that affects the Plan and involves:
 - a. Management,
 - b. Employees who have significant roles in internal control, or
 - c. Others where the fraud could have a material effect on the financial statements.
 - We have no knowledge of any allegations of fraud or suspected fraud affecting the organization's financial statements communicated by employees, former employees, grantors, regulators, or others.
 - We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the the financial statements.
 - We have disclosed to you the identity of the organization's related parties

and all the related party relationships and transactions of which we are aware.

- The plan has satisfactory title to all owned assets, which are recorded at fair value, and all liens, encumbrances, or security interest requiring disclosures in the financial statements have been properly disclosed.
- The plan has complied with the fidelity bonding requirements of ERISA.
- We have no –
 - a. Plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
 - b. Intentions to terminate the plan.
- Amendments to the plan instrument, if any, have been properly recorded or disclosed in the financial statements.
- The Plan has complied with all aspects of debt and other contractual agreements that would have material effect on the financial statements in the event of noncompliance.
- The methods and significant assumptions used to estimate fair values of financial instruments, including non-readily marketable securities, result in a measure of fair value appropriate for financial measurement and disclosure purposes.
- All required amendments and filings of The Equity Engineering Group, Inc. 401(k) Plan documents with the appropriate agencies have been made.
- The plan is qualified under the appropriate section of the Internal Revenue Code and we intend to continue them as a qualified plan. The plan sponsor has operated the Plan in a manner that did not jeopardize this tax status. Required nondiscrimination testing related to Code Section 401 (k) and 401 (m) arrangements, as applicable, has been Completed for the plan, and any excess deferrals or contributions have been disposed of in accordance with regulations.
- The Plan has complied with Department of Labor's regulations concerning The timely remittance of participant contributions to trust containing Assets for the plan
- The plan has complied with the fidelity bonding requirements of ERISA.
- We have apprised you of all communications, whether written or oral, with

regulatory agencies concerning the operation of the plan

- We have obtained appropriate fee disclosures from covered service providers and have concluded the fees are reasonable. The Plan is in compliance with DOL regulations regarding ERISA Section 408(b)(2)

- We acknowledge our responsibility for presenting the supplemental schedule, in accordance with U.S. GAAP and in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and we believe the supplemental schedule, including its form and content, is fairly presented in accordance with U.S. GAAP and in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. The methods of measurement and presentation of the supplemental schedules have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplemental schedules.

- In regard to the preparation of the financial statements performed by you. We have assumed all management responsibilities, designated Eric Gehrke who has the suitable skill, knowledge, or experience to oversee the services, evaluated the adequacy of the services provided and accepted responsibility for the results of the service.

Signature: Michael Sherban

Title: General Counsel, Corporate Secretary